Proposed Amendments to the Commercial Harbor Craft Regulation Workshop



Sacramento February 16, 2010



California Environmental Protection Agency

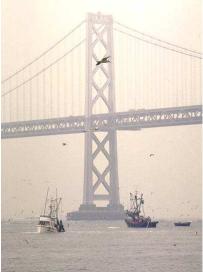
Air Resources Board

Overview

- Status of Regulation
- Proposed Amendments
- Emissions Inventory and Benefits
- Costs
- Questions







3

Commercial Harbor Craft Regulation

- Board approved in November 2007
- Became effective November 2008
- Requirements include:
 - Operational and new engine requirements for all diesel engines on commercial harbor craft
 - In-use engine requirements for ferries, excursions vessels, tugboats, and towboats
 - Recordkeeping and initial reporting

Implementation Status

- Deadline for initial reports March 31, 2009
- Report must be updated annually and maintained on vessel or central dockside location
- Requirements currently being enforced:
 - fuel use
 - reporting and recordkeeping

5

Proposed Amendments AND PROPOSED TO THE PROPOSED PROPOSE

Overview of Proposed Amendments

- Add in-use engine requirements for:
 - Crew and supply vessels
 - Barges and dredges
- Address implementation issues
- Clarify language

7

Updated Crew and Supply Vessel Survey Conducted

- Higher response rate
- More complete data
- Updated inventory with new crew and supply vessel population and activity level
- Supported by reporting data



Crew and Supply Vessels are Significant Part of Santa Barbara and Ventura's Harbor Craft Emissions

District	All CHC (tons/year)		C&S (tons/year)		C&S % of All CHC	
	PM	NOx	PM	NOx	PM	NOx
Santa Barbara	49	1,168	20	478	40%	41%
Ventura	51	1,206	20	478	39%	40%
South Coast	271	6,396	10.7	248	4%	4%
Bay Area	392	9,269	7.0	187	2%	2%

9

Barge and Dredge Engines

- Very large auxiliary engines that operate close to shore
- Recent change in PERP regulation allows marine engines (primarily on barges and dredges) to be registered in PERP
 - Previously subject to Portable Engine ATCM
 - Now subject to Harbor Craft Regulation
- Current regulation has no in-use requirements for barges and dredges
- Some barge and dredge engines are currently uncontrolled if outside PERP or local permits
- In-use requirements needed for Statewide consistency

In-Use Engine Requirements

- Phased compliance schedules for crew and supply vessels and barges and dredges
 - Brings oldest, highest use engines into compliance first
- Removes unregulated and Tier 1 engines
- Compliance methods, engine model year determination, extensions, and alternative compliance plan all consistent with original regulation

1

Single Statewide Compliance Schedule for All Crew and Supply Vessel Engines

Engine Model Year	Total Annual Hours of Operation	Compliance Date	
1985 and earlier	>1500 hours	12/31/2011	
1985 and earlier	>300 - <1500 hours	12/31/2012	
1986 - 1995	>1500 hours	12/31/2013	
1986 - 1995	>300 - <1500 hours	12/31/2014	
1996 - 2000	>1500 hours	12/31/2015	
1996 - 2000	>300 - <1500 hours	12/31/2016	
2001 - 2002	>300 hrs	12/31/2017	
2003	>300 hrs	12/31/2018	
2004	>300 hrs	12/31/2019	
2005	>300 hrs	12/31/2020	
2006	>300 hrs	12/31/2021	
2007	>300 hrs	12/31/2022	

Compliance Schedule for Barge and Dredge Vessel Engines

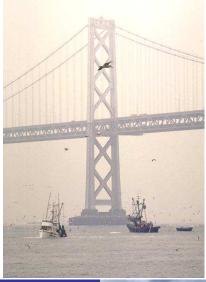
Engine Model Year	Total Annual Hours of Operation	Compliance Date
1975 and earlier	>80	12/31/2011
1976 -1980	>80	12/31/2012
1981 - 1985	>80	12/31/2013
1986-1990	>80	12/31/2014
1991-1995	>80	12/31/2015
1996-1999	>80	12/31/2016
2000 -2001	>80	12/31/2017
2002	>80	12/31/2018
2003	>80	12/31/2019
2004	>80	12/31/2020
2005	>80	12/31/2021
2006	>80	12/312022

3

Additional Amendments Affecting Barge and Dredges

- Remove exemption for engines in PERP or subject to local air district permit prior to January 1, 2009
 - Can still be registered in PERP
- Low use exemption set to 80 hours annually
 - Consistent with PERP





15

Availability of CARB Diesel Fuel Outside California

- Vessels traveling to California from outside the State
 - If CARB diesel not available for fueling prior to entering Regulated California Waters, amendment would allow:
 - U.S. EPA on-road diesel
 - -U.S. EPA nonroad diesel (after June 1, 2010)
 - Both 15 ppm sulfur fuels
- Vessel operator must retain records documenting fuel purchase

Disposition of Engines Brought into Compliance

- Allow use of an engine removed prior to compliance date to replace an older, dirtier engine
- Engines replaced must:
 - Be within the same fleet
 - Original compliance date of older engine remains in effect
- Moyer program engines not eligible

17

Replacement Engine Exemption

- Applies to engine replacement due to engine failure on in-use vessel
- Allows replacement with engine not meeting current standards if:
 - Demonstrate that a compliant engine meeting required physical or performance characteristics unavailable
 - Requires evaluation of current tier and each previous engine tier
 - Must obtain ARB approval

Allow Use of Off-Road Engines

- Applies to auxiliary engines only
- Certified to current off-road engine standards
- Must meet federal requirements for use of an off-road engine in marine applications



19

Modification of Low-Use Hours

- In-use requirements apply when a total of 300 or more hours of operation occur annually in any of the regulated vessel categories
- Apply 80 hour low-use for barge and dredge engines to be consistent with PERP
- Remove term "multipurpose vessel"

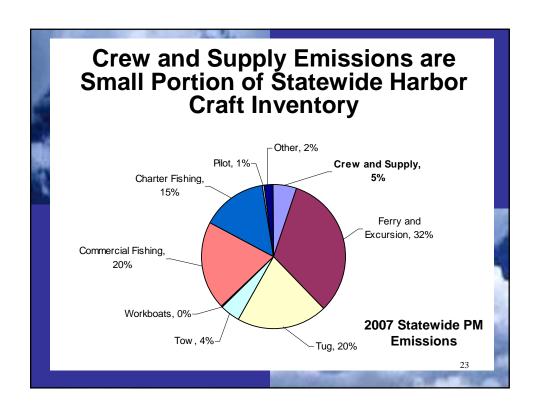
Other Proposed Amendments to the CHC Regulation

- Section (b)(2) Clarify section addressing applicability to engines subject to multiple regulations
 - Add definition for engine permanently affixed to a vessel
- Add required date to submit an Alternative Compliance of Emissions (ACE)
 - Feb. 28 of year the first ACE impacted engine is required to comply
- Clarify reporting requirement for vessel brought into California
- Clarify definition of temporary emergency/rescue vessel

2

Inventory, Emissions, and Benefits of Current Proposal





Estimated Emissions Benefits from Crew and Supply

- Total emissions reductions from crew and supply vessel engines over life of the regulation
 - 220 tons PM
 - 3,900 tons NOx



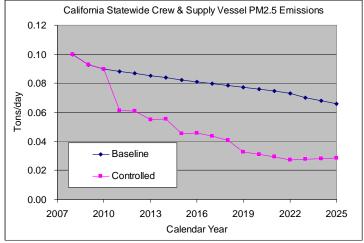
Santa Barbara and Ventura Gain Greater Share of Emission Benefits

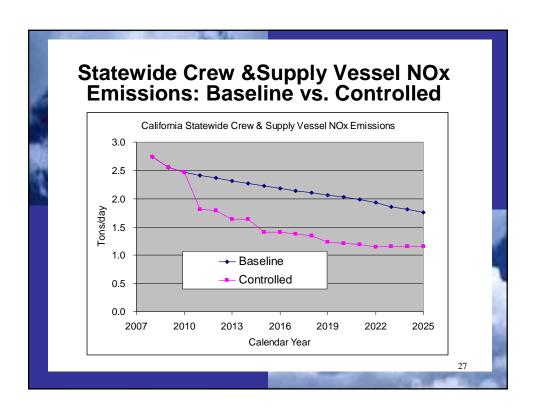
- Total emissions reductions from crew and supply vessel engines over life of the regulation in:
 - Santa Barbara/Ventura
 - PM 116 tons
 - NOx 2300 tons
 - South Coast
 - PM 96 tons
 - NOx 1500 tons
 - Bay Area
 - PM 8 tons
 - NOx 130 tons



25

Statewide Crew & Supply Vessel PM2.5 Emissions: Baseline vs. Controlled California Statewide Crew & Supply Vessel PM2.5 Emissions 0.12





Barge and Dredge Vessel Engine Overview

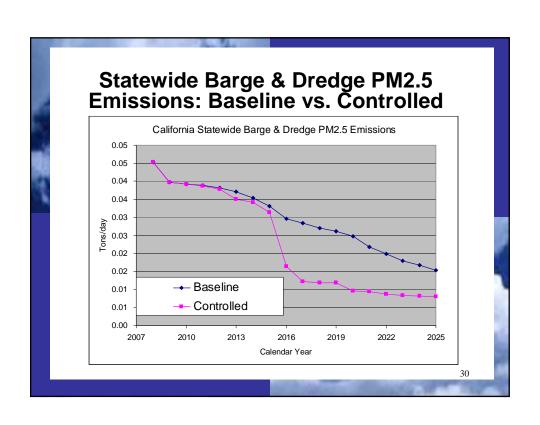
	Barge	Dredge
# Vessels	88	18
# Auxiliary Engines	314	81
Average Horsepower	350	800
Average Annual Hours	500	1000
# Propulsion Engines	*	4
Average Horsepower	*	3500
Average Annual Hours	*	N/A

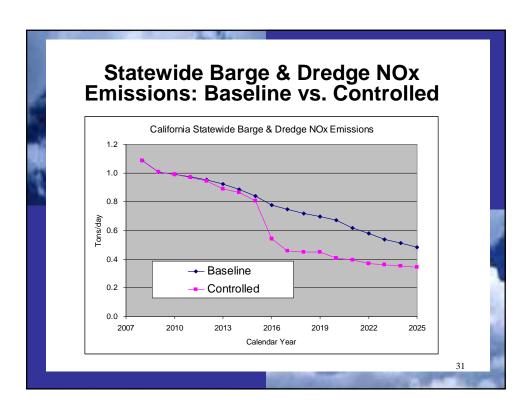
^{*} Not Reported

Anticipated Barge and Dredge Emissions Benefits

- Total emissions reductions from barge and dredge engines over life of the regulation
 - 90 tons PM
 - 1400 tons NOx

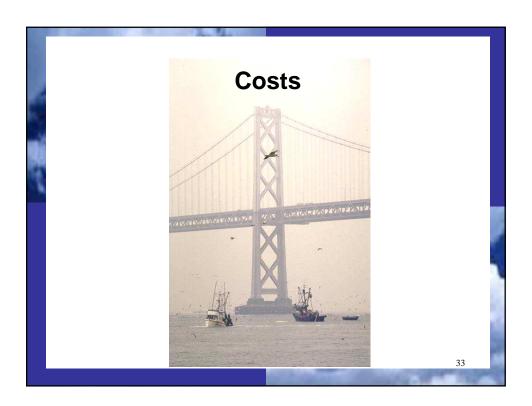






Contributes to Important Health Risk Reductions

- Cancer risk levels
- Non-cancer risk levels
 - Premature deaths, asthma, work loss days



Total Costs for Added In-Use Engines

- Crew and supply vessels:
 - \$9.5 million total regulatory compliance cost
 - \$19.8 million total industry cost
- Barge and dredge vessels:
 - \$5.6 million total regulatory compliance cost
 - \$26.5 million total industry cost

Costs for Proposed Vessel Engines

- Costs from:
 - POLA PCAC China Shipping Settlement Funding
 - Industry
 - Vessel owners

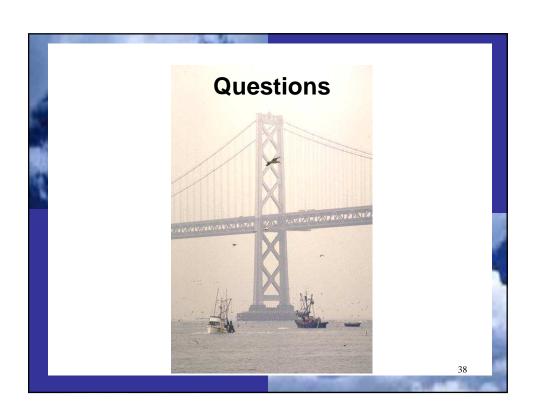
35

Engine Replacement Costs

Engine Category	Cost (\$/hp)			
	Crew and Supply	Barge and Dredge		
Propulsion Engine	214	270		
Auxiliary Engine	508	285		

Crew and Supply Cost Effective Due to Large Percentage of Older Engines

Summary of Average of Cost Effectiveness				
All Costs Attributed to PM (\$/lb)				
	Auxilary Engine	Propulsion Engine	Overall	
Ferry, Excursion, Tug, Tow	\$77	\$27	\$28	
Crew and Supply	\$58	\$25	\$27	
Barge and Dredge	\$40		\$40	
All Costs Attributed to Nox (\$/ton)				
	Auxilary Engine	Propulsion Engine	Overall	
Ferry, Excursion, Tug, Tow	\$11,818	\$3,370	\$3,560	
Crew and Supply	\$6,911	\$2,668	\$2,937	
Barge and Dredge	\$4,790		\$4,790	



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